



## **Expert Advisory Committee**

Healthcentric Advisors

235 Promenade Street, 5<sup>th</sup> floor, Providence RI

November 12, 2013

8:00am – 9:30am

Meeting Minutes

*Attendees:* Ted Almon, Paul Block, Beth Lange, Ed Wing, Sam Salganik, Abbe Garcia, Chuck Jones, Mike Souza, Craig Syata, Monica Neronha, Patricia Huschle (NHPRI)

### **I. Welcome and Introductions**

Amy Black, HealthSource RI, welcomed Committee Members and introduced Legal Counsel Lindsay McAllister.

### **II. Enrollment Grace Period Discussion: Lindsay McAllister, Legal Counsel, HealthSource RI**

Lindsay McAllister reviewed the Grace Period policy put in place by the ACA.

#### *Context*

- The policy is generally intended as a safeguard for individual Qualified Health Plan (QHP) enrollees purchasing through HSRI who fall behind on premium payments.
- The law allows Issuers to pend claims submitted by providers during part of the time period.
- Certain claims may ultimately be denied if the enrollee does not pay the premium by the last day of their grace period.

#### *Consumer Benefits*

- Recipients of APTC are provided a grace period of three consecutive months
- Employers and individuals that do not receive APTCs have a one-month grace period

### *Defined Issuer Role*

During the grace period, the QHP Issuer must:

- (1) Pay all appropriate claims for services rendered to the enrollee during the first month of the grace period and may pend claims for services rendered to the enrollee in the second and third months of the grace period;
- (2) Notify HHS of such non-payment; and,
- (3) Notify providers of the possibility for denied claims when an enrollee is in the second and third months of the grace period.

- Timing of a claim is based on the date the service was provided (not when the claim was submitted)
- If a grace period is exhausted, the enrollee may be terminated as of the last day of the first month of the grace period.

### *Challenges*

- The 90-day grace period applicable for APTC recipients is a much longer interval than previous state law.
- Notices: HHS provides little guidance or detail with respect to the notice requirement. Issuers will develop notification standards and protocol for treatment of claims submitted during the second and third months of a grace period.

### *Issuer Policies*

#### *Neighborhood Health Plan of Rhode Island*

- APTC grace period starts at the beginning of the month for which the premium has not been paid. Information about the member's status will be available on Navinet.
- NHP will pay claims submitted during the first month. Claims submitted during the second and third months will be denied.
- If a member becomes current on premium payments before the last day of the grace period, previously denied claims will be automatically reprocessed and paid.

#### *Blue Cross & Blue Shield of RI*

- Claims for covered services rendered during the first month will be paid.
- Claims will be pended during the second and third months of the grace period.

### *Discussion*

Following a lively discussion, Expert Advisory Committee Members raised the following points:

- Grace period policy results in a downshifting of risk from insurance companies to providers and will be a burden on providers especially during months 2 and 3. The policy transfers the burden of responsibility for bad debt in the system to providers.
- Carriers will be aware of pending payments by about the 25<sup>th</sup> of the month and will start telling providers by the 30<sup>th</sup>. Providers should know that patients are pending by the 1<sup>st</sup> day of the second month of non-payment.
- Carriers should proactively notify providers; data should be in real time and providers should be aware. Providers can use their uninsured patient policy and then be paid retroactively when the patient pays. This process might not work for specialists, oncology, surgeons, etc.
- Given the expectation around subsidized plans, the volume of people who are unable to pay will likely increase. The first month of non-payment is March; notices should be sent out previously and reiterated around this period.
- Enrollees should be made aware of the grace period policy, both through the contact center and through their provider, by use of a one-page policy statement.
- One-page policy statement to be drafted for use at point of service.  
*If your premium payment is pending, your provider will revert to their uninsured policy. You may be liable to pay for services rendered or your provider may not be able to render services.*
  - Providers should control the messaging, and consider changing the language of the grace period: 1 month grace period and 2 month “risk” or “optional reenrollment period.”

- Committee members are willing to go through their respective academies (and the Medical Society) for distribution and approval of the policy document.
- All contracted physicians will be alerted by Issuers (Neighborhood Health Plan is currently drafting a provider manual for distribution).
- HSRI will also coordinate with Issuers to distribute the document.
- Billing FAQ should be added to the HSRI website with information about non-payment.

### **III. Public Comment**

Amy Black, HealthSource RI, asked if there was any public comment. Hearing none, the meeting was adjourned.